

# THE EMERGING OF CHINA'S CIVIL SOCIETY AND ITS SIGNIFICANCE TO GOVERNANCE\*

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## I. Introduction: Civil Society and Good Governance

Scholars in all countries give many different definitions to civil society. By and large, they can fall under the categories. The first category is the definition given according to political science, and the second category is the definition given according to sociology. According to the two categories, civil society is defined as civil organizations, but the respective emphasis of the two discipline is different from each other. The concept of civil society defined according to political science emphasizes “civil” nature, that is, civil society mainly consists of the civil organizations which protect citizens’ rights and political participation. The concept of civil society defined according to sociology emphasizes “intermediate” nature, that is, civil society is the intermediate sector between the state and enterprises. Here we regard civil society as the total of civil organizations or civil relations except for the state or the government. Its essential components are the various non-state or non-governmental civil organizations, including non-governmental organizations (NGO), citizens’ voluntary social associations, community organizations, interest groups and movements spontaneously organized by citizens. They are also called “the third sector” between the government and enterprises.<sup>1</sup>

The civil society organizations (CSOs) mentioned in this article have the following four outstanding features. First, they are non-official, that is, these organizations are civil. They do not represent the position of the government or the state. Second, they are non-profit, that is, they do not regard profit-making as the main objective of their existence, but they

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usually regard the need to provide public welfare and services as their main objective. Third, they are relatively independent, that is, they have their own organizational and management mechanisms and independent sources of funding and are independent of the government to some extent in terms of politics, management and finance. Fourth, they are voluntary, that is, members are not compelled to join CSOs, and they do so voluntarily. Therefore, these organizations are also called civil voluntary organizations. As CSOs develop, they play an increasingly important role in social management. They perform some functions of social management independently or in cooperation with government departments. The process of social management exercised by CSOs independently or in cooperation with the government is no longer government, but governance.

The basic meaning of governance refers to efforts to make use of authority to maintain order and meet public needs. The objective of governance is to make use of power to guide, control and institutionalize the various activities of citizens and maximize public interests in the various institutional relationships. From the perspective of political science, governance refers to the process of public administration. It includes the basis for institutionalization of political authority, the method of handling public affairs and the management of public resources. It pays special attention to the role of political authority and the exercise of administrative power needed to maintain social order within a set area. It seems that there is not a great difference in the superficial meanings of “governance” and “government”, but their implied meanings are quite different. In the eyes of many scholars, the differentiation of governance from government is the precondition for a correct understanding of governance. As a process of public administration, governance needs authority and power like government, and its ultimate goal is to maintain normal social order. This is the common feature of the two. However, there are at least two basic differences in the two concepts.

First, the basic and even essential difference between governance and government is that governance requires authority, but authority is not necessarily government department; government authority must be the government. The subject of government must be social public institutions, but the subject of governance can be public institutions, private ones or cooperation between public and private ones. Governance is cooperation between the state and civil society, between government and non-government, between public and private institutions and between compulsion and voluntariness. Therefore, governance is a more extensive concept than government. Modern company, university and even grassroots community can operate efficiently without government, but they can't without governance.

Second, the orientation for the exercise of power in the process of administration is different. Government power is always exercised from above. It uses the political authority of the government and exercises the one-way management of social public affairs through issuing orders and formulating and implementing policies. However, governance is a process of management featuring interaction between the higher and lower levels. It exercises management of public affairs mainly through cooperation, consultation, partnership and identity and common goals. The essence of governance is cooperation based on market principles, public interests and identity. Its management mechanism does not rely on the authority of the government, but that of cooperation network. Its orientation for the exercise of power is not single and from above, but pluralistic and mutual.

The direct reason why specialists of political and management sciences put forward the concept of governance and advocate the replacement of government with governance is that they see both market and state failure in the allocation of social resources. Governance can make up for some defects of the state and the market in the process of regulation, control and coordination, but governance is not omnipotent. It has many inner limitations. It cannot replace the state and enjoy political compulsory power. It cannot replace the market and allocate most of the resources spontaneously and effectively. Since there is the possibility of governance failure, scholars are naturally confronted with the questions as to how to overcome governance failure and how to facilitate effective governance. Many scholars and international organizations put forward "meta-governance", "effective governance", "good governance" and other concepts as replies to the above-mentioned questions. The theory of "good governance" is most influential.

To put it briefly, good governance is a process of social management designed to maximize public good. The essence of good governance is management of public life through cooperation between the government and citizens, a new relationship between political state and civil society and an optimal relationship between the two. The key elements of good governance include 1) legitimacy; 2) transparency; 3) accountability; 4) rule of law; 5) responsiveness; 6) effectiveness.<sup>2</sup>

Good governance is actually the return of state power to society, and a process of good governance is that of returning state power to people. Good governance indicates good cooperation between the state and society or between the government and citizens. So far as the whole society is concerned, there would not be good governance without the government and especially citizens. So far as small social groups are concerned, there can be no government, but there must be public management. Good governance relies on

citizens' voluntary cooperation and their conscientious acceptance of authority. There is only good government at most without citizens' active participation and cooperation. Therefore, the basis for good governance is the citizen or civil society, rather than the government or state. In this sense, civil society is the basis for good governance. There would not be good governance in its true sense without a sound, developed civil society. Therefore, one of the reasons for the emergence and development of the theory and practice of good governance since the 1990s is the growth of civil society. The development of civil society is bound to bring about changes in the structure and status of governance. This is especially outstanding in China following reform and opening up.

## II. Reform and Opening up and the Emergence of Civil Society

In the Chinese history, civil society has disappeared in political state, and the emergence of a relatively independent civil society is a product of modern China. Although there were self-governing professional organizations in the areas of commerce and transportation, they were not modern civil organizations, but traditional secret societies prior to the 20th century. Under the influence of Western civilization, civil organizations independent of the state began operating actively following the 20th century. However there is no special research in the number of civil organizations and the degree of their active operation. Relevant estimates differ greatly. For example, according to a record, there were about 1,000 civil organizations in China in the first half of the 20th century. According to another research, it was estimated that there were over 80,000. (Wang Ying and Sun Bingyao, 1999).

After the Chinese Communist Party (CCP) came to the state power in 1949, economically it implemented socialist public ownership and planned (mandatory) economy, and politically it implemented the highly centralized administrative system featuring the Party's unified leadership. Almost all civil organizations which emerged prior to 1949 disappeared. For example, the spontaneously established rural civil organizations which had existed for a long time, including temple fairs, clansmen's associations, ancestral halls, country worthy associations and civil corps no longer existed (Yu Keping, 2000). Only a few special associations, for example, China Democratic League, Jiu San (September 3) Society and other organizations which helped the CCP existed as democratic parties. The trade unions, the Youth League organizations and the women's federations established by the CCP developed as mass organizations. But the number and types of these organizations were very limited. There were only 44 national social associations in the

early 1950s, less than 100 in 1965 and only about 6,000 local ones. The types of these social associations were very limited. There were nine mass organizations including trade union, Youth league, women's federation, association for science and technology, and federation of industry and commerce (Wang Ying and Sun Bingyao, 1999). Substantial changes took place only after the policy of reform and opening up was implemented in the late 1970s.

Following 1978, China implemented the policy of reform and opening up under the leadership of Deng Xiaoping. This brought fundamental, tremendous changes to China's society. One of the important results of reform and opening up was that the economic, political, legal and cultural environment for the existence and development of civil society underwent fundamental changes. This encouraged the growth of many civil organizations for the first time in the Chinese history.

Following the 1980s, China began implementing market-oriented economic restructuring, gradually abandoned the original planned economy, carried out a socialist market economy and made a shift from the original single structure of collective and state ownership to diverse forms of ownership consisting of state ownership, collective ownership, sole proprietorship, joint venture and foreign investment. This greatly expanded productive forces and raised people's living standards. This was the root cause for the vigorous development of civil organizations.

First, the basic requirement for the market economy is that enterprises must become independent legal persons which have the power to make their own management decisions, the government must be separated from enterprises, and enterprises must be responsible for their own profits and losses. Under this new economic structure, on the one hand, enterprises' power to make their own management decisions is greatly increased. As a result, some professional and trade organizations can become civil organizations independent of the government to a large extent. On the other hand, the market economy increases enterprises' risks. Enterprises must change the risk mechanism whereby they rely on the government for profits or losses and profits or losses make no difference under the planned economy. The new risk mechanism requires enterprises to bear responsibilities for their profits and losses. It will undoubtedly generate the self-protection awareness of enterprises and increase the mechanism for protecting their interests. The various professional interest groups grow rapidly against this background.

Second, with the implementation of the market economy, China's ownership structure also undergoes tremendous changes and diverse forms of ownership begin to coexist. Because China implements socialist political and economic systems, public ownership is

still the basis for the national economy, there are outstanding differences in the actual status and role of enterprises with diverse forms of ownership and the risks of individual and private enterprises are much higher than state-owned enterprises. To seek an environment for fair competition, state and non-state enterprises need trade organizations which represent their interests. To increase market competitiveness, especially private entrepreneurs and individual proprietors must strive for cooperation and mutual assistance in their trades and establish various mutual assistance voluntary organizations, for example, entrepreneurs' club organizations of all descriptions.

Third, the tremendous economic returns brought by reform and opening up create necessary economic conditions for the establishment and operation of the various civil organizations. Most of the civil organizations must raise funds on their own. Under the conditions of the economy of scarcity or lack of the power to make economic decisions freely, it is hard for civil organizations to raise funds without appropriations from the government. Economic development brings enormous disposable profits to enterprises and increases personal disposable income. These funds become the main sources of funding for civil organizations.

Lastly, the living standards of the Chinese citizens have risen rapidly for 20 years. From 1978 to 1998, the per capita income of rural residents increased from 133.6 yuan to 2,160 yuan, an actual increase of 350% after allowing for price rises, with its yearly average growth rate exceeding 8%. The per capita income of urban residents increased from 343.3 yuan to 5,425 yuan, an actual increase of 200% after allowing for price rises, with its yearly average growth rate exceeding 6.2%. (the Information Office of the State Council, "Progress in China's Human Rights for 1998", *People's Daily*, April 14, 1999). The rise in productivity also reduces citizens' working time. Because the two-day weekend working system was implemented among the Chinese urban employees in the early 1990s, urban residents have free time to participate in various interests. As a result, more and more citizens have time and financial resources to participate in interests and especially literary and art, sports and tourist activities during their spare time. Many civil organizations for interests which have emerged these years reflect this trend, for example, various recreational clubs, sports associations, private amicable organizations, travel organizations, etc.

The development of civil organizations needs both an economic base and a political environment. It is hard to imagine the existence and development of civil organizations without a tolerant political environment. Some overseas scholars think that since 1978, China has conducted thorough economic restructuring, but its political system has

basically remained unchanged. This is a one-sided view. If the criteria of the political system are only single-party system, the separation of the executive, legislative and judicial powers and representative democracy advocated by Western countries, we can say that China's current political system is the same as the original system without substantial changes. However, political system has many connotations. In addition to the above-mentioned aspects, it includes legal system, rule of law, administrative system, system of leadership, electoral system, supervisory system, relationship between the party and the government, relationship between the central and local authorities, etc. According to these many-sided criteria, everyone should admit that since the 1980s, China's political system has also undergone tremendous changes and many of these changes directly or indirectly promote the development of civil society.

First, the government pays increasingly great attention to legal system and rule of law, and citizens' freedom of association begins to be of substantial significance. The existence of civil society must first be legalized. According to the Constitution of the People's Republic of China, citizens have freedom of association. This is a fundamental legal basis for civil society. But freedom of association was a mere scrap of paper prior to reform and opening up. If ordinary citizens applied for association without authorization, it was impossible for them to secure the approval of the government. Worse still, they might suffer from political risks because of this. Therefore, no one applied to the government for voluntary association. Even if few people applied, this was futile. As a result, all social associations were highly integrated with Party and government departments. Except for a few social associations sponsored by the Party and the government, there were no other true civil organizations. Since the policy of reform and opening up was implemented, the Chinese government has begun emphasizing legal system and rule of law, regarded them as the basic state policy and taken effective measures to ensure the administration of the country according to law. Citizens' right of freedom of association is fulfilled to some extent. If citizens apply to establish non-political social associations, they will not suffer from political pressure and their applications may be approved.

Second, the government delegates many powers to lower levels. In a political sense, we can say that the process of reform and opening up for 20 years is a process of shift from high integration of the state and society to gradual disintegration. In this process, the government mainly delegates powers to society. First, the functions of the government are separated from those of enterprises. The government delegates business management, decision-making and personnel powers to enterprises and most of economic powers to society. Second, the central government delegates many powers to local governments.

Since the policy of reform and opening up was implemented, local governments at all levels have had more powers with regard to cadre management, administration, social management, political and economic policy-making, taxation, finance and banking. Lastly, the government gradually lifts control over management of citizens, and the room for their free activities increases unprecedentedly. After the Party and the state delegate some powers to society, they still need to exercise effective management of society and individuals to maintain social order. After the government withdraws from some management areas, only civil organizations fill in the room left. For example, after the mid-1980s, the Central Committee of the CCP decided that administrative leaders at the village level are not appointed by Party and government departments at higher levels in vast rural areas and self-governance is implemented among villagers. It is obvious that self-governance among villagers cannot be implemented without a villagers' self-governing organization. The villagers' committee emerges. It is the extensive civil organization in China's rural areas.

Third, the government begins changing its functions. China's society prior to the 1980s was like a patriarchal family. Governments at all levels were like parents, and citizens were like children. Parents were responsible for the future development of children and for their livelihood. So governments at all levels had too many departments and overstaffing. Since the 1980s, Chinese top leaders have tried to conduct political restructuring which aims at streamlining government departments and changing their functions and made a few attempts. In fact, they have continued to make efforts in this regard so far. These reforms have useful experience and lessons, but we can affirm one point, that is, the functions of the government have really undergone great changes. Their economic and social functions have been weakened, and their administrative functions have been strengthened. The government no longer performs its management functions in most areas of production, business operation, civil affairs, culture, art and academic research, and it entrusts relevant civil organizations, for example, non-governmental professional associations, trade organizations and voluntary organizations to perform these functions.

Because of the above-mentioned changes in economic and political environment brought by reform and opening up, China's civil society began growing rapidly after the 1980s and their growth reached a peak. In 1989, national social associations increased sharply to 1,600, and local ones came to over 200,000. After political disturbances occurred in Beijing in 1989, the Chinese government reregistered and rectified the various civil organizations and the number of CSOs decreased slightly in a short period of time. In 1992 there were 1,200 national social associations and about 180,000 local ones. But soon



the number of civil organizations increased once again. In 1997, social associations at and above county level came to over 180,000 throughout the country, including 21,404 provincial ones and 1,848 national ones.<sup>3</sup> There were no formal statistical data about the various civil organizations below county level, but there were more than 3 million according to conservative estimates (Yu Keping, 2000). Except for social associations, another type of special CSOs developed in China following the implementation of the policy of reform and opening, that is, the so-called civilian-run non-enterprise units. They refer to civil service institutions. They do not receive financial support from the state. They maintain operation by providing paid services to society. But according to regulations, these organizations cannot aim at making profits. According to preliminary estimates, in 1998 these organizations came to more than 700,000.<sup>4</sup>

There are no set standards for the classification of these civil organizations. The government departments in charge of management of them classify them according to the four categories. First, there are academic organizations. They refer to those organizations which are engaged in research in natural sciences and social sciences and interdisciplinary studies. Second, there are professional organizations. They refer to those professional enterprise organizations. Third, there are those specialized organizations. They refer to those social organizations which consist of professional staff or which are established for some undertakings by relying on professional skills and technology and special funds. Fourth, there are united associations. They refer to union of groups or organizations, for example, trade unions. In 1996, national social associations under the four categories were 680 (38%), 410 (23%), 520 (29%) and 180 (10%) respectively.<sup>5</sup>

To facilitate the distribution of classification of the various civil organizations, some scholars use classification standards based on the subject plus functions. According to the standards, the current national social associations in China can fall under 17 categories, including industrial associations, for example, the various professional and management associations; associations for social services and welfare; for example, foundations and charity organizations; associations for public affairs, for example, mayors' and exchange associations; associations for information and technical services, for example, consulting organizations and consumers' associations; public health associations, for example, medical service organizations; associations for physical culture and sports; associations for education, for example, the various educational service organizations; associations for culture and art, for example, film and music associations; associations for press and publication, for example, radio and television associations; associations for science and technology, for example, the various popular science organizations and associations for

the study of natural sciences; associations for humanities and social sciences, for example, the various societies and associations for the study of humanities and social sciences; associations for environment and energy, for example, environment associations; special enterprises' professional organizations, for example, professional organizations for enterprises with diverse forms of ownership; vocational organizations, for example, trade associations; regional organizations, for example, regional associations; individual amicable associations, for example, the various interest organizations and amicable associations; other organizations (Wang Ying and Sun Bingyao, 1999).

Some people think that the two types of classification pay attention to distribution, but they have the defects of similarity, vagueness and undue emphasis on detail. Civil organizations can be classified according to different standards, for example, the status of the subject, functions and regions, the most important thing is the essential features of these organizations. According to the main features of the various organizations which have emerged, they can fall under the following categories:

1) Trade organizations, that is, professional associations in the same trade. They do not have the legal management right with regard to the work and operation of the trade, but they still play a role in providing guidance. For example, they include chambers of commerce at all levels, manufacturing associations, materials and goods supply and marketing associations, etc.

2) Professional management organizations. The organizations under this category are a special product during the period of social transition. Predecessors of most of them are government departments for administrative management or authoritative organs for professional management. These organizations have great power to exercise professional management and have the nature of quasi-administrative departments. For example, they include the Chinese Light Industry Association, the Chinese Textile General Association, the Chinese Trade Association for the Promotion of Import and Export, etc.

3) Charity organizations. Their main role is social relief. For example, they include the Red Cross society of China, All-China Society of Charity, China Welfare Fund for the Handicapped, etc.

4) Academic organizations, that is, organizations for scholars, for example, China Physics Society, the Chinese Chemical Society, the Chinese Society of Political Science, the Chinese Atheism Society, etc.

5) Community organizations. Their main feature is to engage in community management and services. For example, they include villagers' self-governing

organizations, residents' self-governing organizations, community public security committees, etc.

6) Professional interest groups, that is, organizations for seeking professional interests for specific groups. For example, they include private entrepreneurs' association, teachers' association, lawyers' association, etc.

7) Citizens' self-help organizations, that is, mutual aid organizations which citizens voluntarily organize to safeguard their own interests. For example, they include mutual aid society in urban and rural areas, assistance centre, various rural societies for the study of crops, etc.

8) Interest organizations, that is, all kinds of citizens' organizations for hobbies. For example, they include all kinds of clubs, poets' clubs, dramatists' clubs, etc.

9) Non-profit organizations for consulting services. Many civilian-run non-enterprise units basically belong to civil organizations under this category.<sup>6</sup>

Introduction of the market economy to China directly results in sharp increase in the number and types of civil organizations. More importantly, the nature of these new civil organizations is quite different from that of the "social associations" which existed prior to reform and opening up. The self-governance and legitimacy of civil organizations have been greatly augmented since the 1980s.

First, with regard to sources of funds, the funds of the various social associations which existed prior to reform and opening up were appropriated from the state finance and they did not have independent sources of funding. At present, the funds of most of the civil organizations are not appropriated by the government, but are raised by them. Except for a small number of the social associations which still rely on appropriations from the state, the main sources of funds for most of the civil organizations are membership dues, donations, money contributed by people from all walks of life, income from non-profit services and other funds. All civilian-run non-enterprise units have no funds appropriated by the government. They pay expenses for all activities with some funds collected while providing services to society. The government gives them preferential treatment in taxation.

Second, organizationally they are independent of the Party and government departments. Prior to the 1980s, almost all social associations were under the Party and government departments at all levels. For example, trade unions, the Youth League organizations and the women's federations were led by the Party committees at the corresponding levels, and the various associations for science and technology were led by the science and technology commissions of governments at the corresponding levels. Since the 1980s, except for traditional trade unions, the Youth League organizations and

the women's federations and a small number of special social associations which still maintain the original organizational relationship of subordination, other official social associations have been independent of the Party and government departments in terms of the organizational relationship of subordination. They are no longer the organs under the competent Party and government departments, but are relatively independent. Many grass-roots civil organizations are nominally led by Party and government departments, but in reality they enjoy great self-governance. Those civil organizations which are not registered with the departments of civil affairs do not have even nominal competent departments. For example, various professional associations, chambers of commerce, community organizations and organizations spontaneously established by citizens are still led by the Party and government departments at the corresponding levels, but most of them have obtained great independence. This independence between civil organizations at higher and lower levels is even greater. For example, the relationship of administrative subordination between professional associations at all levels has not existed. They are completely independent in terms of power, funds, management and activities (Sun Bingyao, 2000).

Third, Party and government officials no longer serve as the leaders of most of the civil organizations. Except for trade unions, the Youth League organizations and women's federations, the Party and government leaders who hold current posts no longer serve as the leaders of other social associations and associations, and the cadres of Party and government departments at and above the deputy division level who hold current posts cannot serve as the major leaders of civil organizations including civilian-run non-enterprise units according to the provisions of the relevant documents of the Central Committee of the CCP. Therefore, the leaders of civil organizations are independent of Party and government organs of political power to a large extent.<sup>7</sup>

### III. China's Civil Society and the Party-State

The CCP gains an understanding of civil society in a process of negation and affirmation. Prior to the implementation of the policy of reform and opening up, the CCP and the Chinese government led by it basically negated civil organizations and thought that relatively independent civil society cannot emerge in socialist China. Mandatory economic structure and the political system featuring the unified leadership do not allow the existence of relatively independent civil society. This fact makes them take a more negative attitude towards civil society. As the Chinese leaders often like saying, however, many things occur

independent of man's will. This is true of the emergence of civil society in China. As what was mentioned in Chapter II, as economic and political environment underwent changes following reform and opening up, no matter whether people are willing or not, a relatively independent civil society irresistibly grows in China and exerts an increasingly important influence on China's politics, economy and culture. Objectively, this phenomenon requires the Chinese leaders to face reality, change their negative attitude toward civil society, recognize its legitimacy and its increasingly important role in social, political and economic activities and take effective measures to encourage the sound development of China's civil society.

Prior to reform and opening up, civil society was less legitimate, and "civil organization", "civil society", "civilian society" and "citizens' society" were very sensitive phrases after 1949. Prior to reform and opening up, China implemented a highly unified political system of organization and leadership, public and private interests, the state and society and the government and the civilian almost merged into a single whole. In other words, there were only public interests without private interests, only the state without society and only the government without the civilian. Against this political background, to many people, "civil society" was bourgeois society, and "civil society" or "civilian society" meant being antagonistic to the government. Since the policy of reform and opening up was implemented, on the one hand, a large number of relatively independent civil organizations have emerged. People notice the fact. More and more people begin admitting the fact that civil society exists. On the other hand, as economic structure and political system undergo changes, profound changes take place in China's political culture. People gradually abandon many traditional concepts of political ideology and values and replace them with new political ideology. At the same time, people's attitude toward civil society or citizens' society also undergoes fundamental changes. More and more people begin to experience a change from rejection of civil society to acceptance or acquiescence in civil society. The reason why the "Project Hope" can win the extensive support of the whole society is that it benefits to a large extent from the increased legitimacy of civil organizations (Sun Liping, 2000). Following the 1990s, the Chinese academic circles held a discussion about civil society. One of the grave consequences is that civil society or citizens' society and the reality and concept of civil society are legitimate in the academic circles. In June 1998 the Ministry of Civil Affairs officially renamed the original "Department for Management of Social Associations" in charge of social associations the "Bureau for Management of Civil Organizations". This means that civil organizations are officially accepted by the government and obtain official legitimacy.

In conformity with the change in the understanding of civil society, the Party and the government experience a change from prohibition to lifting control with regard to management of CSOs, that is, a process of simple prohibition to lifting control appropriately. In September 1950 the Government Administration Council promulgated the Interim Regulations on Registration of Social Associations, and in 1951 the Ministry of Internal Affairs promulgated the Detailed Rules for Implementation of the Regulations. The two laws were designed to check up and rectify the various social associations, the remnants of the old society, ban those social associations which did not meet the requirements of new society and transform other social associations and retain them. After the task was fulfilled, the two laws were gradually abandoned. The various departments were in charge of the examination, approval and management of the relevant social associations, and the system of unified registration was no longer implemented. But the basic policy was to stunt and even prohibit the development of civil social associations (Liu Junning, 2000).

After the policy of reform and opening up was implemented, to meet the needs of sharp increase in civil organizations, in 1989 the State Council promulgated the Regulations on the Administration and Registration of Social Associations. In October 1998 the State Council made big revisions of the above regulations and promulgated the new Regulations on the Administration and Registration of Social Associations. At the same time, it promulgated the Regulations on Management of Civilian-run Non-enterprise Units for the first time. Because there has not been official legislation in civil organizations in China, the above-mentioned two regulations are the most important regulations on social associations. The two regulations determine the current basic framework for the management of civil organizations by the Chinese government. They formally change the original system of administration of civil organizations. A system of dual leadership by the departments of civil affairs and the competent Party and government departments is instituted instead of the original system. The departments of civil affairs are in charge of registration, and the competent Party and government departments are in charge of routine management. This system is the current model of “registration at different levels and dual management”.

According to the current model of dual management of CSOs, the main functions of the competent departments which civil organizations are affiliated to are to approve the appointment of the major leading cadres of the affiliated CSOs, including presidents, vice-presidents, executive directors and secretaries-general; to examine and approve the important activities of these organizations; to supervise the routine work of the CSOs to provide professional guidance to the activities of these organizations; and to audit the

finance of the affiliated civil organizations. The major functions of the departments of civil affairs are to formulate the principles, policies and regulations for the management of social associations and civilian-run non-enterprise units and supervise the implementation of them; to be responsible for the registration and yearly examination of the various domestic civil organizations (including social associations established on the mainland of China by compatriots from Hong Kong, Macao and Taiwan) including civilian-run non-enterprise units, foreign social associations in China and offices of international NGOs in China; to provide guidance to the activities of civil organizations and study and put forward the plan for the development of civil organizations, standards for membership dues and the method of financial management; and to supervise the activities of civil organizations and investigate and deal with the illegal acts of civil organizations and the unregistered illegal organizations which conduct activities in the name of social associations.<sup>8</sup>

In addition to the above-mentioned management measures, the Party and the government also take other two measures to manage some important civil organizations: first, to control their operating funds; second, to establish Party organizations within these civil organizations. At present, the funds of the various civil organizations mainly come from the three sources: first, the government appropriates their whole funds, second, the government appropriates some of their funds and they raise some of their funds on their own, and third, they raise all their funds on their own. The state appropriates almost all the funds of those most influential civil organizations, such as China Disabled Persons' Federation, China Enterprise Management Association, China Association for Science and Technology, the Chinese Society of Administrative Management, trade unions, the Youth League organizations and women's federations. In addition, the leading bodies of the CCP at all levels usually establish their branches within some large and important civil organizations led by them. For example, the Red Cross Society of China establishes its Party committee, trade union and the Youth League organization and has an authorized size of 45 staff members (Wang Ying and Sun Bingyao, 1999).

Under this management system, the basic attitude which most of the civil organizations take towards the Party and the government is that they accept the leadership of Party and government departments and remain relatively independent. Accepting the leadership of Party and government departments and especially competent departments is a mandatory provision and is motivated by the interests to some extent. If they take the initiative to accept the leadership of Party and government departments, they can improve the relationship with competent departments, so as to obtain more funds and greater

administrative power. Therefore, most of the civil organizations which exert great influence are willing to respect the leadership of competent Party and government departments and maintain good cooperation with them. These civil organizations usually take the initiative to ask competent Party and government departments for instructions about some major problems, make reports to them and even often write the need to take the initiative to accept the leadership of competent departments in their rules. For example, the rules of the All-China Chamber of Commerce stipulate that it is a civil organization under the leadership of the CCP, the establishment of chambers of commerce at all levels must be submitted to the leading bodies of the Party and the government at all levels for approval, and their major activities must be in conformity with the provisions of the Party and the government (Liu Junning, 2000). However, the various civil organizations hope to enjoy greater independence. For example, China Youth Development Foundation is a civil organization established by the Central Committee of the Communist Youth League of China (CYLC) and is led by the Central Committee of the League in terms of organization, leadership and professional work. But as soon as China Youth Development Foundation was established, its leaders did everything possible to increase its independence. Through various efforts, it finally gets the right to directly control its operation and local branches at lower levels and forms a relatively independent operating system (Sun Liping, 2000). In essence, civil organizations' obedience to the Party and the state is contradictory to their independence. The contradiction constitutes the current main interaction between China's civil organizations on the one hand and the Party and the state on the other to a large extent.

Except for obedience and independence, the third main method of interaction between civil organizations on the one hand and the Party and the state is to try to affect the policies of the Party and the state. First, these civil organizations try to influence the Party and the state to revise the current policies or formulate new ones and maximize their departmental interests. This is clearly manifested in the activities of many local and professional civil organizations. For example, urban community organizations and rural villagers' organizations often employ such radical means as appealing to the higher authorities for help, presenting petitions, going canvassing and even holding sit-in, parade and demonstration and gathering around the Party and government departments, so as to require the relevant functional departments to solve the policy-related issues of removal, public security, the environment, employment and service which are related to the immediate interests of local residents. This can be proved by the phenomena of the improvement of the Market for Farm and Sideline Products at Quxi Road under the



jurisdiction of Wuliqiao Street, Shanghai (Wang Ying, 2000) and the active participation of chambers of commerce at all levels in legislation and formulation of policies (Liu Junning, 2000). Second, more and more civil organizations and especially those consisting of intellectuals try to intervene in the major policies of the Party and the state and affect national politics and policies for economic restructuring. For example, in recent years, Tianze Research Institute of Economics, the Friend of Nature and the Three-Flavor Study put forward many policy-related suggestions on the issues concerning China's economy, politics, diplomacy and environment which exerted a great influence on society (Wang Yizhou, 2000).

#### IV. The Emerging of Civil Society and Good Governance

China's economic and political restructuring initiated since 1978 creates the basic political, economic and legal environment for the rise of civil society. At the same time, the emerging of civil society exerts a great influence on social politics and economic activities, changes governance to a large extent and effectively promotes good governance. It is of particular importance to citizens' political participation, political transparency, citizens' self-governance and government's cleanness and efficiency and government's democratic and scientific policy-making.

In China's traditional political culture, through political behaviors superiors set an important example for the inferiors. Such Chinese idioms as "the inferiors imitate the superiors", "setting a good example with good conduct", "being a paragon of virtue and learning" and "playing an exemplary role" express the meaning. Like government organizations, civil organizations also have the issue of governance, and the success or failure of their governance has a direct bearing on the governance of the society as a whole. The reason why the various civil organizations which have emerged since the 1980s change the governance of China's society as a whole to a large extent is that these civil organizations have many distinctive features and advantages in comparison with government organizations. As we all know, China's society is in a transitional period. China's civil society is no exception. There are great differences between the various civil organizations with regard to good governance. If we regard government's official organizations and typical civil organizations as the two poles of the spectrum, we can discover that on the whole, the civil organizations which are nearer to the pole of government organizations often exercise weak governance. On the contrary, those organizations which are nearer to typical civil organizations exercise strong governance.

The degree of identity and participation within the relatively independent civil organizations which emerged in recent years, such as the senior citizens' association, community organizations, etc. is higher than that within some traditional civil organizations with a strong official nature, such as the Youth League organizations, women's federations, etc. For example, the Youth League acted as the "assistant" to the Party in the various political activities prior to reform and opening up. The degree of its internal identity and participation was very high. "But when the whole society focused on economic development, the status and role of the Youth League organizations in social activities became obviously less important. The state's appropriations to the Youth League organizations increased so slowly that they were often short of funds. At the same time, the identity of young people with the Youth League organizations was also lowered. Those organizations in some areas began to be lax or even paralyze." On the contrary, China Youth Development Foundation which is a product of the reform of the Youth League has a high degree of internal identity, and the participation of its members in the organization is "all-directional" and "integrated". Participants usually take the initiative to know how the funds contributed are used and put forward their own views on the various activities. Some participants participate in the work of China Youth Development Foundation and even in its management and organization. To be specific, some participants take part in policy-making activities. Their suggestions on the Project Hope, a major activity of China Youth Development Foundation become a tremendous motive force for the continued development of the Project (Sun Liping, 2000).

Many civil organizations do better in the transparency of internal management. This is particularly true of those civil organizations which are active at the grass-roots level, such as villagers' committees, senior citizens' associations and various community organizations. For example, villagers' committees existing in China's rural areas and neighborhood committees existing in urban areas extensively implement the practice of "making village affairs known to the public" and "making residents' affairs known to the public", and their political transparency is much higher than that of grass-roots organizations of political power. The process of election of villagers' (neighborhood) committees' members and village heads (directors), all the activities of villagers' (neighborhood) committees and the income and expenses of villagers' committees are basically made known to the public. In Shanghai, the cadres of the neighborhood committee must wear employee's cards while working. Every neighborhood committee must put up the affairs, documents, procedures, deadline, responsible persons and other items on the wall and ensure that residents are clear about them at a glance (Wang Ying,

2000). The content of making village affairs known to the public in Dongsheng Village, Fujian Province includes the wages, bonuses and subsidies given to village cadres; the income and expenses of the collective; family planning; the contracting of arable land, ponds, orchards, mountain forests and enterprises; bidding for construction projects; distribution of land for the housing; the area of requisitioned land and compensatory money; apportion of voluntary labor; the amount of money collected and retained for overall planning and its use; distribution of the target for imposition of grain taxes; distribution of relief materials and means of production; use of anti-poverty funds; items of practical matters for villagers. Most of these items are made known to the public twice a year, that is, during the first ten-day period of January and July respectively. The most important items, for example, contracting of land and enterprises, bidding for projects, requisitioning of land, are made known to the public at any time. The important items, for example, family planning, the income and expenses of the collective, are made known to the public once a month and a quarter. There are two methods of making village affairs known to the public: first, the "column for making village affairs known to the public" is opened on the enclosing wall of the building of the villagers' committee, and village affairs are made known to villagers through blackboard bulletin on time. Second, when some matters are made known to the public, the wire broadcasting of the village is used to broadcast some content to villagers. In addition, several "suggestion boxes" are installed at the main intersections of the village to solicit the villagers' opinions about the village affairs which are made known to them.

An important consequence of the internal high transparency of civil organizations is that in comparison with the current situation in which the corruption of government officials in China's society is rather serious during the transition period, the leaders of those civil organizations who are far away from administrative power are relatively clean. For example, the rise of villagers' organizations effectively checks the corruption of township and village cadres. Because the villagers' committee implements the system of making village affairs known to the public and the income and expenses of the village and its decision-making activities are transparent, villagers can exercise effective supervision over village cadres. In Dongsheng Village, such important economic activities as the salaries and income of cadres, the income and expenses of the village, decision-making activities, enterprise contracting, land requisitioning and use and distribution of land for the housing are made known to the public and are supervised by the specially designated persons. Even if someone wants to engage in corruption, this is not easy. So village cadres are very honest and clean. In the past, town cadres came to the village at the time of fruit harvest

whether no matter whether there were matters. Village cadres gave these cadres some fruit. Now they do not have the chance to get fruit, because all orchards are contracted by individuals. The villagers' group for handling financial affairs is mainly responsible for specially examining the public income and expenses of the village and makes known to the public the results of examination and relevant accounts on schedule. The villagers' representative assembly, the village Party branch and the working group for making village affairs known to the public and exercising democratic management have the right to examine the village public finance. Villagers can tell their questions to the above organizations and even give anonymous reports to the latter (Yu Keping, 2000).

Another distinctive feature of civil organizations is their more democratic internal governance. First, most of the various community self-governing organizations in urban areas, such as the neighborhood committee, the volunteers' association, the proprietors' committee, the community green-protecting team, the community amicable society for cultural workers, the community amicable society for sports workers, the community education committee, the senior citizens' study association, the family education guidance team, etc., and the villagers' committee, the able persons' association, the association for science and technology, the senior citizens' association, etc. choose their leaders through election at least as a matter of form. To more and more civil organizations in urban and rural areas, free election is increasingly important. Second, civil organizations must extensively solicit the opinions of their members for their important policy decisions and secure the approval of their members. The rules of civil organizations generally have clear provisions on this. Their major internal matters must be extensively discussed and consulted by their members. The relevant state laws further stipulate that the major affairs concerning residents and villagers must be discussed and put to the vote by residents or at the villagers' meetings. Third, civil organizations usually have a set of systems for rigorous internal supervision. For example, the community civil organizations in Shanghai have a whole set of complete systems for residents' supervision, including 1) the community residents' conference designed to listen to, examine, check and supervise the work of the neighborhood committee; 2) the system of consultation on community affairs designed to coordinate and comment on the community work; 3) the system of community supervisors; 4) the system of commenting on the work style of the government; and 5) the system of supervision through telephone and the system of letters, calls and reception (Wang Ying, 2000). Some important rural civil organizations also have a set of open supervision mechanisms and ensure that their leaders work honestly and cleanly. For example, the senior citizens' association in Dongsheng Village also has a system of making matters

known to the public because it involves a large sum of funds. It makes known to the public members' contributions, membership dues and other accounts concerning income and expenses through wall newspapers and clearly records original documents and sums of income and expenses even if there are only several coins. The senior citizens' association has a finance group consisting of four members. Their main responsibility is to manage financial affairs and supervise the financial activities of the leading cadres of the association. All expenses of the association are subject to strict procedures for examination and approval. Major items of expenses must be decided on through collective discussion (Yu Keping, 2000).

The internal management of civil organizations is of great significance to governance and good governance. More importantly, this exerts influence on the political life as a whole, including political participation, democratic policy-making, citizens' self-governance and the efforts to make government affairs known to the public and build a clean and honest government.

China's civil organizations which are rising become an important bridge between the government and citizens. The essence of good governance is good cooperation between the government and citizens, but this cooperation is not always direct. On the contrary, it often needs coordination by an intermediate organization. Therefore, civil organization is an intermediate organization. On the one hand, various civil organizations promptly solicit the requirements for the government, wishes, suggestions and criticisms from their members and convey them to the government. On the other hand, civil organizations convey the government's policy-related intentions and suggestions on handling relevant matters to their members. In the process of conveying and coordinating interests, civil organizations promote cooperation between the government and citizens and good governance.

Many civil organizations not only require and encourage their members to take an active part in their internal matters, but also encourage them to actively participate in the political activities of the state. From our case study, we can see that civil organizations much more actively participate in social politics than ordinary citizens. This is particularly true of rural areas and the grassroots level in urban areas. For example, one of the major responsibilities of villagers' committees which are the most important civil organizations for Chinese peasants is to mobilize their members through various methods to participate in the election of people's deputies at and below county level and the election of villagers' committees. Some localities even employ some radical means, for example, to give material encouragement and issue subsidies to those villagers who participate in voting;

otherwise, to impose fine or labor on those peasants who do not take part in voting. At the same time, these civil organizations also provide various conveniences for the political participation of their members. For example, when deputies of local people's congresses or members of villagers' committees and neighborhood committees are elected, mobile polling stations or ballot boxes are set up to provide special voting services for residents who go out, so that the percentage of the residents who participate in the election is as high as over 95%. The various civil organizations employ another important method of participating in social and political affairs, that is, as the representatives of some circles or some interest organizations, they join the organs of state power or government departments according to the regulations formulated by the government. The typical representatives for this participation are some civil organizations which maintain particularly close ties with the government. Especially the federations of industry and commerce, the Youth League organizations, the women's federations, trade unions, family planning associations, senior citizens' associations and some professional associations often have their representatives participate in people's congresses and CPPCC organizations from the central to local levels, and presidents of the federations of industry and commerce usually serve as vice-chairmen of CPPCC organizations under the governments at all levels.

Many civil organizations which have developed since the 1980s have become an important factor for affecting the government's policy-making and a strong motive force for promoting the government's reform. Many civil organizations and especially those professional organizations for academic research have abundant professional knowledge. More and more professional associations begin to serve as the think tank for the government, provide consultancy and advice for the government's policy-making, exert an important influence on the government's policy-making and promote the government's democratic policy-making. The government's reform needs both internal and external motive forces. The external motive force for promoting the government's reform is from individual citizens and civil organizations. The latter are usually more powerful than the former.

In a sense, a civil organization is a kind of interest organization, and one of the basic values for its existence is to promote the public interests of its members. The important means to achieve the value are to participate in the policy-making in Party and government departments and try to affect the policies of Party and government departments for the benefit of their organizations and members. At present, the various civil organizations in China employ the following methods of participating in the government's policy-making:

(1) They report problems and make requests to decision-making departments on behalf of their organizations or professions and urge the organs of state power to formulate corresponding policies or measures. For example, in recent years civil organizations for environmental protection, so called “four big green parties” – the Friend of Nature, the Global Village, the Green Home and the Shannuo Society continued to take voluntary action for environmental protection, conduct publicity about environmental protection, criticize the acts of impairing the environment and put forward various suggestions on environmental protection. Because of their influence, the issue of environmental protection becomes the main topic for discussion at the NPC and the CPPCC which are held once a year (Wang Yizhou, 2000).

(2) On the request of decision-making organs, they put forward their views on the formulation and implementation of some special policies. While formulating or implementing some policies, some Party and government organs usually seek policy-related advice from relevant civil organizations, listen to their opinions and make revisions or readjustments concerning policies. For example, before the Constitution was revised at the First Session of the Ninth NPC, the opinions of some civil organizations about the revision of some articles were extensively solicited. Because the revised articles are related to the issue of the determination of the nature of non-public sectors of the economy, the NPC, the Party and government organs of political power paid particular attention to listening to the views of chambers of commerce at all levels. Chambers of commerce at all levels studied and discussed the relevant articles actively and conscientiously. Through various channels, they expressed the ardent hope to the NPC, the Party and government organs of political power for raising the status of non-public sectors in the national economy through the revision of the Constitution and relevant economic policies. The chamber of commerce in Nanjing organized its members for the discussion of the issue and mentioned to the relevant authoritative departments the seven hopes of entrepreneurs in non-public sectors of the economy for promoting the sound development of non-public sectors of the economy. (Liu Junning, 2000).

(3) When government policies impair the interests of their members, they negotiate with the relevant departments on behalf of their members. For example, the proprietors' committees in some communities in Shanghai demand compensation for losses caused to their members in the process of the removal of housing a few times. According to residents' opinions and requests, through reports and appeals, the residents' group of Zhayin Road No. 1 Neighborhood Committee finally solved the three outstanding problems of the repair of the road at No. 60 Lane, Zhayin Road, the removal of LPG station and the location of No.

90 Bus which drew the extensive attention of residents. Residents were very grateful for this (Wang Ying, 2000).

A major step for China's political development since the 1980s is the promotion of grass-roots self-governance. At present, citizens' self-governance in China is conducted on a trial basis mainly in the three fields: rural villagers' self-governance, urban community self-governance and professional self-governance. The three different kinds of civil organizations mainly responsible for organizing the three major types of grass-roots self-governance are villagers' committees, neighborhood committees and the various professional associations. The emerging of civil organizations lays an organizational basis for democracy at the grass-roots level and especially social self-governance.

According to the provisions of the Constitution, the Organic Law of Neighborhood Committees of the People's Republic of China and the Organic Law of Villagers' Committees of the People's Republic of China, neighborhood committees in urban areas and villagers' committees in rural areas are not the one-level organs of political power and the offices of the government, but civil and self-governing organizations. A neighborhood committee is a grass-roots self-governing mass organization for self-management, self-education and self-service among community residents in the city. According to the law, the major tasks of the neighborhood committee are to publicize the Constitution, laws, regulations and state policies, safeguard the legitimate rights and interests of residents, teach them to perform their duties according to law, take care of public property and conduct various activities to promote socialist ideological and ethical progress; to handle public affairs and public welfare undertakings for residents in the living quarters; to mediate in civil disputes; to help maintain public security; to assist the people's government or its offices in the work concerning public health, family planning, special care and relief and education among young people which are related to the interests of residents; and to report the opinions and requests of residents to the people's government and its offices and put forward suggestions (Wang Ying, 2000). Similarly, at present, a villagers' committee is the most important civil organization in China's rural areas. In fact, it has replaced or is replacing the original Party branch and becomes the most authoritative administrative organ in many localities. According to legal provisions, the villagers' committee is the villagers' grass-roots mass self-governing organization for self-management, self-education and self-service. It handles the village public affairs and matters for public good, mediates in civil disputes, helps safeguard public security, reports villagers' opinions and requests and makes suggestions to the people's government. The villagers' committee is not responsible to the people's government in the locality, but it is responsible to the villagers'



conference and reports work to them. The main responsibilities of the villagers' committee are to organize and lead villagers to develop the economy; take the initiative to provide services and coordination for the production of the village; to protect the legitimate rights and interests of the village collectively-owned economic organizations, villagers, contractors, jointly operated households and businessmen from other areas; to manage the land and other property collectively owned by the villagers, tell villagers to make rational use of natural resources and preserve and improve the ecological environment; to publicize the Constitution, laws, regulations and state policies, tell and urge villagers to perform their due obligations according to law and take care of public property and help villagers conduct all kinds of the activities designed to promote ideological and cultural progress. There is no doubt that urban neighborhood committees and rural villagers' committees do not play a great role in grass-roots democracy and self-governance as prescribed in the above-mentioned laws. But through our research we find that more and more urban and rural grass-roots communities are relying on such civil organizations as neighborhood committees and villagers' committees to continue to improve democratic self-governance (Yu Keping, 2000).

Civil organizations are also important media for raising political transparency. The growth of civil organizations exerts a positive influence on the raising of political transparency in recent years through the following methods. First, civil organizations are an important motive force for political openness. In many cases, individual citizens' requests for the right to learn political truth can be turned into government policies only if civil organizations put pressure on the government. For example, in vast rural areas, it is an obvious fact that villagers' opinions about and requirements for village, township and town cadres can draw enough attention only through villagers' groups. Second, some civil organizations are media for diffusing political information. The various consulting research societies, societies, federations and other social associations often hold members' conferences and representative assembly or training courses and seminars to release and discuss relevant political information. These conferences usually are important means to enable their members to obtain political information. Third, some civil organizations establish their own mass media, for example, the various newspapers, periodicals, magazines, web pages and web stations through which political information is diffused. Fourth, the civilian-run bookstores which emerged following reform and opening up also exert a great influence on the increase in the channels of diffusing political information and the change in management mechanisms for information diffusion (Deng Zhenglai, 2000).

Civil organizations take an active part in social public welfare undertakings. This

improves the government's image and enhances the citizens' sense of political identity. It is the responsibility of the government to develop public welfare undertakings, but if the government directly organizes some public welfare undertakings, this may not produce the best results. Civil organizations play an indispensable role in this respect. For example, they do better in providing relief, helping the distressed and providing assistance to women, children, the old, weak, poor and disabled. For example, such civil organizations as All-China Society of Charity, Soong Ching Ling Foundation and China Youth Development Foundation play a great role in the Project Hope and the Anti-poverty Project designed to help those children unable to go to school and provide relief to disaster victims and poor people. What these civil organizations do improves social image, eases relations between the government and citizens and increases citizens' identity with national state. Our case study provides an excellent proof in this respect. The implementation of the Project Hope obviously improves the social image of the Youth League. The Project Hope is a large-scale public welfare undertaking designed to help those children unable to go to school because of poverty to continue to receive education, which is sponsored by China Youth Development Foundation. By raising civil funds, it provides assistance to millions of the poor children unable to go to school and enjoys a great social reputation. The project was first initiated by the Central Committee of the CYLC. China Youth Development Foundation which organized the project is established by the Youth League. When the traditional status of the Youth League meets the great challenges posed by the market economy and social transition and declines, China Youth Development Foundation and the Project Hope become essential factors for raising the reputation of the Youth League (Sun Liping, 2000).

Civil organizations effectively check government behaviors. Government power and behaviors must be checked to some extent. Prior to reform and opening up, the check on government behaviors mainly comes from power check within the government. After many civil organizations emerge, the government begins to be subject to external check. After some civil organizations find that local or departmental government policies are obviously unreasonable or in violation of state laws, they resist these policies in an organized way. In many cases, the government often changes the original policies under the pressure of civil organizations. The more powerful the civil organizations are, the more pressure the government encounters. An obvious example is that there are fewer phenomena of violation of laws and indiscipline by township and town cadres in villages with sound and effective villagers' committees than in other villages (Yu Keping, 2000). Even non-governmental channels exert influence on the policy-making of the departments of

foreign affairs with regard to the views and public opinion about some major international affairs.

## V. Conclusion: Features of China's Civil Society and Existing Problems

As we have said at the beginning of the article, the civil organizations defined by us must have the common features of being non-governmental, non-profit, self-governing and voluntary. China's civil organizations and those in other countries and regions share these features. The existence and development of such civil organizations are an important aspect which differentiates China's society following reform and opening up from the traditional system prior to reform and opening up. However, there are obvious differences between China's civil organizations and those in Western countries. In comparison with those in Western society, China's civil organizations have the following features:

1. China's civil society is a typical government-led one and has an obvious official-civil duality.

Most of China's civil organizations are established and led by the government. This is particularly true of those influential civil organizations which are legally registered, such as the various professional, trade, research and interest organizations. Although the CCP and the Chinese government try to increase the self-governance of civil organizations, issue documents time and again and stipulate that the current leading cadres of the Party and government organs of political power cannot hold leading posts in the various civil organizations and civilian-run non-enterprise units. However, it is a distinctive feature of China's civil society that the government leads important civil organizations. The government leads civil society through the following three methods:

First, according to the provisions of the government regulations on the registration and management of civil organizations, any civil organization to be registered must be affiliated to a Party or government organ of political power which serves as its competent department. As the competent department, the organ of political power must be responsible for the political leadership of the civil organization. For example, China Youth Development Foundation is established and led by the Central Committee of the CYLC. Its leading cadres must be appointed or transferred by the Central Committee of the CYLC, and its major activities must be approved by the Central Committee of the CYLC (Sun Liping, 2000). The Chinese chambers of commerce at the central and local levels are also official-run social organizations, their authorized sizes are determined by the government

and their personnel have the status of public servants. Like other government departments, they have Party organizations, their leading cadres are appointed by Party organizations at all levels. The ranks, wages and material benefits of their personnel are determined according to public servants, and their personnel can be transferred between the chambers of commerce and Party and government governments (Liu Junning, 2000).

Second, most of the influential civil organizations are established by the government. Although they are organizationally separated from their initiators gradually, there are still close ties between the two. Initiators are usually the competent departments for these civil organizations. For example, the various professional associations are basically established or sponsored by the competent government departments. Many associations conform to the trades managed by the competent government departments. After associations are established, enterprises under the competent government departments are naturally incorporated into the associations. These professional associations are checked by their competent departments through the two methods. Member enterprises of the associations are led by the competent government departments without being led by the associations. Professional associations are also checked by the competent government departments in terms of organization, personnel, operating funds and activities (Sun Bingyao, 2000).

Third, the documents promulgated by the central government in 1998 stipulate that the current cadres of Party and government departments at and above the division level cannot serve as the leading cadres of civil organizations. But the former Party and government officials who were retired from the current leading posts or diverted from government departments after institutional restructuring serve as the major cadres of almost all important social associations. Although the Rules of the associations stipulate that presidents and vice-presidents should be elected by their councils, but in fact entrepreneurs seldom serve as presidents and the leading cadres of the relevant government departments serve as presidents of most of associations. For example, former Minister of the State Economic Commission served as President of the Second National Council of China Industrial Economics Association and former director of the municipal economic committee became president of Shanghai Municipal Industrial Economics Association (Sun Bingyao, 2000). This is true in rural areas. Retired secretary of village Party branch or village head usually serves as president of such a powerful villagers' organization as the senior citizens' association (Yu Keping, 2000).

Fourth, according to the relevant government regulations, in principle civil organizations should raise their funds, but in fact some important NGOs still get their

operating funds appropriated by the government and are economically dependent on the government. Generally speaking, the civil organizations with the size of personnel authorized by the government, such as the various professional associations established by the government (for example, the Chinese Association of Popular Science Writers, China Law Society, the Chinese Society of Administrative Management, China Federation of Literary and Art Circles, the Chinese Dramatists Association, etc.), professional associations (China Industrial Economics Association, China National Light Industry Council, etc.) and chambers of commerce get their funds appropriated by the government, and some other important civil organizations including the various academic research organizations also receive some financial support from the government.

Because of the above four reasons, on the whole the current civil organizations in China are the government-led civil organizations. They are more dependent on and less independent from government departments than Western civil organizations.

## 2. China's CSOs come into being and are in transition.

In comparison with civil organizations in Western countries, China's civil organizations are still immature. Their typical features of being self-governing, voluntary and non-governmental are not very obvious. Most of the civil organizations have grown since the mid-1980s. They have only a history of a dozen years. They are still at a stage of change and development, and they are not fixed in terms of their structure and functions. For example, on the one hand, all civil organizations must sever official ties with the Party and government departments according to the latest government regulations. On the other hand, the government controls the important activities of the civil organizations through their competent departments. On the one hand, some civil organizations are basically led and controlled by the government and are less independent, voluntary and non-governmental. On the other hand, other civil organizations are organized spontaneously by citizens. They even do not handle registration in government departments and do not accept the leadership and guidance of government departments. These civil organizations enjoy high self-governance and voluntariness and run to an extreme. The transition of civil organizations conforms to the macro situation in which the whole Chinese society including civil society is in transition. It reflects the process of social transition.

## 3. In conformity with the above features, China's CSOs are not institutionalized.

Although the Ministry of Civil Affairs revised and promulgated the new management regulations on management of civil organizations in 1998, the process of institutionalization has just begun and does not end. At present, there are at least several

categories of civil organizations in terms of organizational structure.

1) There are highly hierarchical social associations, for example, trade unions, the Youth League organizations and women's federations. Actually, there are no essential differences between these social associations and administrative departments. They are not bound by the Regulations on the Administration and Registration of Social Associations. They are directly led by the Party and government departments at all levels and enjoy corresponding administrative levels. The appointment or dismissal of their leading cadres is decided on by Party committees at corresponding levels.

2) There are quite hierarchical social associations, for example, the federations of industry and commerce, consumers' associations and the various associations for professional management. They have the authorized size of personnel, enjoy corresponding hierarchy and perform some functions of administration. Their leading cadres are actually appointed or dismissed by the Party and government departments at all levels. They enjoy the benefits of cadres.

3) There are basically civil academic social associations, for example, the various societies and research societies. Most of them do not have the authorized size of full-time personnel. Their leading cadres are chosen by them and reported to their competent departments for approval. They do not have hierarchical levels. But few of these societies, research societies or associations also have the authorized size of personnel and enjoy benefits for corresponding hierarchy.

4) There are civilian-run non-enterprise units. This is a special category of civil organizations. They do not have hierarchy. They are least hierarchical. Except for special research and exchange, they also provide special services to society, for example, the Chinese Academy of Management, the Chinese Institute of Development and the Chinese Academy of Culture, etc.

As mentioned before, China's civil organizations fall under the three categories in terms of the sources of funding. The first category is that all their funds are appropriated by the government. The second is that some funds are appropriated by the government while some are raised by them. The third is that they raise all their funds on their own, for example, most of the societies, research societies, chambers of commerce and trade organizations and all civilian-run non-enterprise units. However, the government often allows these civil organizations which raise their funds on their own to enjoy preferential policies in taxation. For example, they are allowed to conduct paid consultancy and service activities not for the purpose of making profits and enjoy special treatment of partial or total exemption of taxes. In fact, these preferential policies toward civil organizations formulated

by the government become a direct reason why so many citizens applied to establish civilian-run non-enterprise units in recent years.

4. The development of the current civil organizations in China is rather uneven. There are great differences in social, political and economic influence and status between different civil organizations.

The civil organizations which exert the greatest influence and enjoy the highest prestige in rural areas and streets are villagers' committees, neighborhood committees and some community organizations such as senior citizens' associations. But the Youth League branches, women's federations and militia's battalion which used to be very influential exert weak influence and play a little role. Comparatively speaking, professional associations, management associations, charity organizations, professional organizations and civilian-run non-enterprise units at the central, provincial and municipal levels exert increasingly great influence. The main reasons for this difference are as follows:

1) Their legal status is different. The status of some civil organizations is clearly stipulated according to the state laws. For example, the Constitution of the People's Republic of China, the Organic Law of Villagers' Committee, the Organic Law of Neighborhood Committees and the relevant documents of the CPC Central Committee have special provisions on the functions, status and nature of villagers' committees and neighborhood committees. But ordinary civil organizations do not enjoy special legal status.

2) Their basis for traditional culture is different. For example, the Chinese nation has a tradition of respect for senior citizens and a tradition of clan identification. The prestige of senior citizens' associations is based on these traditions.

3) Their economic strength is different. It is hard to attract their members, handle practical matters for villagers and draw the great attention of society without great economic strength. The basic reason why China Youth Development Foundation and All-China Society of Charity have exerted tremendous social influence these years is that they raise a tremendous sum of funds and use them to help the poor and children.

4) The prestige of leadership is different. Even if the above-mentioned conditions are met, it is hard for a civil organization to exert great influence and have large forces without a powerful leadership. The leading cadres of most of the influential civil organizations or national social associations often enjoy high personal prestige. They are either distinguished senior cadres who are retired from the departments of political power, capable experts or able persons. From the survey of Dongsheng Village, we find that the three villagers who enjoy the highest reputation in the village are the leading cadres of the

three most influential organizations of the village. They are secretary of the village Party branch, villager's head and president of the senior citizens' association (Yu Keping, 2000).

China's civil society has a short history. There are many problems concerning the political and economic environment for its existence, its internal structure and functions. From this case study, we find that China's civil organizations face the following major problems.

Most of the civil organizations are too dependent on the Party and government organs of political power. They have a strong official nature. As mentioned before, the distinctive features of China's civil society are government leadership and official-civil duality. But with regard to many civil organizations, their official nature is too strong, and their civil nature is too weak. For example, villagers' committees, neighborhood committees, the Youth League branches, women's federations, militia's battalion, family planning associations, public security committees, mediation associations and other organizations in rural areas and streets are dependent on primary Party branches and town Party and government departments to a large extent. The establishment of these organizations and their internal activities are under the direct control of Party branches and town governments. They generally report to Party branches or even ask for instructions. Most of their leading cadres and major members are Party members and accept the leadership of village Party branches. This is true of other civil organizations such as professional associations and chambers of commerce. A chamber of commerce in a city simply regards its task as the need to "heed what Deng Xiaoping said, do as the Party Central Committee with Jiang Zemin at its core said and take the path to socialism with Chinese characteristic" (Liu Junning, 2000).

There are many reasons for this. For historical reason, prior to reform and opening up, politically China adopted single form of public ownership and mandatory planned economy. Politically, China implemented a highly centralized and highly integrated system. There was no basis for the existence of relatively independent civil society. Following reform and opening up, traditional political and economic base has begun disintegrating, but this will be a long process and has not been completed. Before the traditional political and economic base completely disintegrates, in fact China's civil society cannot enjoy the high independence and "non-official" nature. For objective reason, China is adopting a socialist market economy which features diversified ownership with public ownership playing a dominant role and emphasizes government intervention. The focus of the political system is still the authority of the Party Central Committee and the leadership of the Party. The civil society which conforms to the political and economic system inevitably has a serious



official nature and government leadership. In fact, it often becomes a tool of the Party and the government.

The functions which many civil organizations prescribe or state fall far short of their actual roles. According to legal provisions, neighborhood committees and villagers' committees are completely self-governing civil organizations. In fact, their self-governance is greatly restricted by local Party and government organs in most of the rural areas and urban communities and becomes a mere formality in many localities. For example, the county and town governments and the village have formulated a series of the systems for making village affairs known to the public and there are two provisional groups and several supervisors. But much content seems to be a mere formality. Only few items are recorded in the notebook entitled the Work of Making Village Affairs Known to the Public and Exercising Democratic Management in a village every month. Only 100 Chinese characters were made known to the public in the first quarter of 1999. It is hard to reflect the income and expenses of the whole village and the public expenses of village cadres (Yu Keping, 2000).

Some civil organizations impose mandatory obligations on their members. Unlike other official organizations, civil organizations have a distinctive feature, that is, their members join organizations and participate in their activities on a voluntary basis. China's civil organizations have a long way to go in this respect. The various professional associations, chambers of commerce, academic organizations, charity organizations and professional organizations have many mandatory obligations which their members must perform. For example, all the members of civil organizations must take an active part in the major political activities of the Party and the state according to requirements. Otherwise, they will be punished directly or indirectly. Few special civil organizations impose too many mandatory obligations on their members, so that their members have little room for free choice. For example, the citizens of the right age in urban and rural areas must join family planning associations in their communities. Otherwise, fines may be charged. The village regulations of villagers' committees and the rules of family planning associations are agreements formulated by their members voluntarily, and their members should enjoy the corresponding rights while abiding by these agreements, but we can hardly see the articles on the protection of the rights of their members in the village regulations in many rural areas and the rules of family planning associations. On the contrary, almost all the articles are about the obligations of their members and begin with "not allowing" or "prohibiting".

From the case studies of China's civil society, we can draw the conclusion. As the market economy is gradually established in China and the political and legal environment

undergoes changes, all kinds of civil organizations are bound to emerge. Their emergence will play a positive role in improving democratic governance in urban and rural areas. This is an important manifestation of political progress in China's society following reform and opening up. But on the whole, their self-governance, independence and voluntariness are not very high. There are many problems. If effective measures can be taken to solve these problems, there will be the sound development of China's civil organizations. This will play an even greater role in promoting the political progress and good governance that is greatly significant for Chinese economic modernization and social development in the future.

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## Major Reference Reports

1. Wang Ying and Sun Bingyao, "Introduction to the Development of China's Civil Society Organizations", 1999 (Research Report).
2. Yu Keping, "Changes in Civil Organizations and Governance in China's Rural Areas – A Case Study of Dongsheng Village, Changqiao Town, Zhangpu County, Fujian Province", 2000 (Research Report).
3. Liu Junning, "Civil Society and Limited Government – A Case Study of China's Chamber of Commerce, 2000 (Research Report).
4. Sun Liping, "Public Welfare NGOs and Governance -- the Case of the Project Hope", 2000 (Research Report).
5. Wang Ying, "Civil Self-Governance and Changes in Method of Community Management", 2000 (Research Report).
6. Wang Yizhou, "China's Diplomacy Based on Domestic Progress", 2000 (Research Report).
7. Sun Bingyao, "Professional Associations and Civil Self-Governance in the Economic Field", 2000 (Research Report).
8. Deng Zhenglai, "Civil Society and Reconstruction of National Knowledge Governance System", 2000 (Research Report).

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<sup>1</sup> The same English term "civil society" is often translated differently as "Shiming Shehui", "Mingjian shehui" and "Gongming Shehui" in Chinese. In fact, the three different Chinese terms do not have the same meaning and there are some nuances between them. "Shiming Shehui" is a most popular term and a classical translation of civil society. It originates from the Chinese translation in Marxist classical works. But this term is actually used in a more or less derogatory sense. In fact,

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many people think that it means bourgeoisie society. “Mingjian shehui” is the translation of civil society by Taiwan scholars, and it is liked by historians. This term is widely used in research in China’s modern civil organizations. It is a neuter, but many scholars and especially government officials think that it has marginal nature. “Gongming Shehui” is a new translation since the reform, and it is a commendatory term. It emphasizes its political dimension, that is, citizens’ political participation and check on state power. More and more young scholars like using this new translation. Many scholars actually use these different Chinese versions of civil society simultaneously.

<sup>2</sup> “The Model of Political Management in the Era of Globalization”, Yu Keping, *Methodology*, 1<sup>st</sup> Issue, 1999.

<sup>3</sup> *The Yearbook of China’s Civil Affairs for 1999*, the Ministry of Civil Affairs, China Social Publishing House.

<sup>4</sup> Ditto.

<sup>5</sup> *Management of Social Associations*, Wu Zhongze, China Social Publishing House, 1996, p.6.

<sup>6</sup> “The Emerging of China’s Civil Society and Changes in Governance”, Yu Keping, *Chinese Social Sciences Quarterly* (Hong Kong), 1999, the autumn issue.

<sup>7</sup> “The General Office of the Central Committee of the Chinese Communist Party and the General Office of the State Council issued notices to require the leading cadres of Party and government departments not to serve as the leaders of social associations concurrently”, *China’s Policies for 1999* (Volume II), China Policy Research Group, China Building Material Industry Publishing House, 1999, p.2089.

<sup>8</sup> Regulations on the Administration and Registration of Social Associations, the State Council, October 1998.